

ASSEMBLY BILL

No. 910

Introduced by Assembly Member De La Torre

February 26, 2009

An act to add Sections 41017.5 and 41028 to the Revenue and Taxation Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 910, as introduced, De La Torre. Emergency Telephone Users Surcharge Act: prepaid communications service.

Existing provisions of the Warren-911-Emergency Assistance Act establish the number “911” as the primary emergency telephone number of use in the state. The existing Emergency Telephone Users Surcharge Act (“911” surcharge act) generally imposes a surcharge on amounts paid by every person in the state for intrastate telephone service that is imposed at a percentage rate, not less than 0.5% nor more than 0.75% as annually estimated to provide revenues sufficient to fund “911” emergency telephone system costs for the current fiscal year.

This bill would define, for purposes of the “911” surcharge act, “prepaid communications service” to include prepaid calling card telephone service and prepaid wireless service, as specified.

This bill would make legislative findings and declarations regarding equitable contributions to the funding of 911 systems by consumers of prepaid communications services.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 41017.5 is added to the Revenue and
2 Taxation Code, to read:

3 41017.5. “Prepaid communications service” includes both
4 prepaid calling card telephone service and prepaid wireless service
5 as follows:

6 (a) “Prepaid calling card service” means the right to access
7 exclusively telecommunications services, which must be paid for
8 in advance and which enables the origination of calls using an
9 access number or authorization code, whether manually or
10 electronically dialed, and that is sold in predetermined units or
11 dollars of which the number declines with use in a known amount.

12 (b) “Prepaid wireless calling service” means a telecommunications
13 service that provides the right to utilize mobile wireless service as
14 well as other nontelecommunications services, including the
15 downloading of digital products delivered electronically, content,
16 and ancillary services, which must be paid for in advance that is
17 sold in predetermined units or dollars of which the number declines
18 with use in a known amount.

19 SEC. 2. Section 41028 is added to the Revenue and Taxation
20 Code, to read:

21 41028. (a) The Legislature finds and declares the following:

22 (1) Maintaining effective and efficient 911 systems across the
23 state benefits all citizens.

24 (2) 911 fees imposed upon consumers of communications
25 services that have the ability to dial 911 are an important funding
26 mechanism to assist state and local governments with the
27 deployment of enhanced 911 services to the citizens of this state.

28 (3) Prepaid communications services are an important segment
29 of the communications industry and should bear an equitable part
30 of the responsibility for the funding of the 911 system.

31 (4) Consumers purchase prepaid communications services at a
32 wide variety of retail locations and other distribution channels, as
33 well as through service providers.

34 (5) To ensure equitable contributions to the funding of 911
35 systems from consumers of prepaid communications services, the
36 collection and payment obligation of charges to support the 911
37 service should be imposed upon the consumer’s retail purchase of
38 the prepaid communications service and should be in the form of

- 1 a single charge that is collected at the time of purchase directly
- 2 from the consumer, remitted to the state or local jurisdiction and
- 3 distributed to the 911 emergency services fund.

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